



## ◆◆◆ AGENDA ◆◆◆

POLICE & FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER **3129 – THURSDAY, FEBRUARY 2, 2017**  
9:00 A.M.

**CHAIRPERSON: PORTIA ROBERSON**

**VICE CHAIRPERSON: JOHN SERDA**

!!

ROLL CALL

**AGENDA APPROVAL**

DISABILITIES & RE-EXAMS PAGE(S) 8, 9 AND 10

HYBRID APPLICATIONS PAGE(S) 11

DROP APPLICATIONS PAGE(S) 11

RETIREMENT APPLICATIONS PAGE(S) 11

RECEIPTS (ACKNOWLEDGE ONLY) PAGE(S) 12

## DISBURSEMENTS SEPARATE SUBMISSION

## REFUNDS SEPARATE SUBMISSION

## EMPLOYEE LOANS SEPARATE SUBMISSION

MINUTES FOR DISTRIBUTION: JANUARY 19, 2017

**MINUTES FOR APPROVAL: JANUARY 5, 2017**

# SUPERVISOR'S REPORT

## EXECUTIVE DIRECTOR'S REPORT

## CHIEF INVESTMENT OFFICER'S REPORT

## PUBLIC RELATIONS ADVISOR'S REPORT

## LOBBYIST'S REPORT

## GENERAL COUNSEL'S REPORT

## COMMITTEE REPORT

## INVESTMENT COMMITTEE REPORT

FEBRUARY 2, 2017

10:00 A.M. - DR. O'NEAL

11:00 A.M.

11:30 A.M.

**FEBRUARY 9, 2017**

## NO MEETING

FEBRUARY 16, 2017

11:00 A.M. – MARIE RACINE

12:00 P.M. - GABRIEL, ROEDER, SMITH & CO.

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3129 – THURSDAY – FEBRUARY 2, 2017

**2017 POLICE AND FIRE MEETING SCHEDULE\***

<b>DAY</b>	<b>DATE</b>	<b>TIME</b>	<b>LOCATION</b>
THURSDAY	FEBRUARY 16, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 2, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 16, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MARCH 30, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	APRIL 6, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	APRIL 20, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MAY 4, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	MAY 18, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 1, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 15, 2017	09:00 A.M.	CONFERENCE ROOM
THURSDAY	JUNE 29, 2017	09:00 A.M.	CONFERENCE ROOM

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY AND APPROPRIATELY POSTED**

**2017 POLICE AND FIRE INVESTMENT COMMITTEE MEETING SCHEDULE\***

<b>DAY</b>	<b>DATE</b>	<b>TIME</b>	<b>LOCATION</b>
MONDAY	FEBRUARY 6, 2017	10:00 A.M.	CONFERENCE ROOM - TELECONFERENCE
MONDAY	MARCH 13, 2017	10:00 A.M.	CONFERENCE ROOM
MONDAY	MAY 22, 2017	10:00 A.M.	CONFERENCE ROOM
MONDAY	JULY 24, 2017	10:00 A.M.	CONFERENCE ROOM - TELECONFERENCE
MONDAY	SEPTEMBER 25, 2017	10:00 A.M.	CONFERENCE ROOM
MONDAY	NOVEMBER 20, 2017	10:00 A.M.	CONFERENCE ROOM
MONDAY	DECEMBER 18, 2017	10:00 A.M.	CONFERENCE ROOM - TELECONFERENCE

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY AND APPROPRIATELY POSTED**

**2017 POLICE AND FIRE MEDICAL DIRECTOR BOARD APPEARANCE SCHEDULE\***

<b><u>DAY</u></b>	<b><u>DATE</u></b>	<b><u>TIME</u></b>	<b><u>LOCATION</u></b>
<b>THURSDAY</b>	<b>MARCH 2, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>APRIL 6, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>MAY 4, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>
<b>THURSDAY</b>	<b>JUNE 1, 2017</b>	<b>10:00 A.M.</b>	<b>CONFERENCE ROOM</b>

**\*MEETING DATES/TIMES SUBJECT TO CHANGE. ANY DATE/TIME CHANGES WILL BE IMMEDIATELY AND APPROPRIATELY POSTED**

**TABLED MOTIONS**

TABLED **OCTOBER 16, 2014**: TRUSTEE ORZECH'S MOTION (SUPPORTED BY TRUSTEE PEGG) THAT PAYMENT OF ATTORNEY FEES BE CAPPED AT \$300 UNLESS PAYMENT OF A HIGHER FEE IS SANCTIONED BY THE BOARD

**MANAGER WATCH LIST (AS OF JUNE 30, 2016)**

PAYDEN & RYGEL – FIXED INCOME INVESTMENT MANAGER – U.S. GOVERNMENT – PLACED ON WATCH LIST MARCH, 2015 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – MONITOR INVESTMENT PERFORMANCE FOR IMPROVEMENT (PER WILSHIRE)

PENN CAPITAL – FIXED INCOME INVESTMENT MANAGER – HIGH YIELD – PLACED ON WATCH LIST MARCH, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER IS BELOW POLICY BENCHMARK (PER WILSHIRE)

WELLS CAPITAL – U.S. EQUITY INVESTMENT MANAGER – SMALL-CAP GROWTH – PLACED ON WATCH LIST MARCH, 2016 – THREE-YEAR INVESTMENT PERFORMANCE BELOW POLICY AND MEDIAN – THREE-YEAR NUMBER IS BELOW POLICY BENCHMARK (PER WILSHIRE)

**COMMITTEES**

**BUDGET** – DIAZ, THOMAS

**COMMITTEES - CONTINUED**

**CUSTOMER SERVICE** – NEARY, PEGG, THOMAS

**DISABILITY** – DIAZ, NEARY, THOMAS

**INFORMATION TECHNOLOGY** – PEGG, THOMAS

**INVESTMENT POLICIES, PROCEDURES AND GUIDELINES** – DIAZ, NEARY, PEGG, GENERAL COUNSEL RONALD A. KING, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

**INVESTMENT ROUNDTABLE** – DIAZ, NEARY, PEGG, CHIEF INVESTMENT OFFICER RYAN C. BIGELOW

**JOINT FOUNDATION ESTABLISHMENT** – JAMES (PFRS), JONES (PFRS), PEGG (PFRS) – BENSON (GRS), NICKLEBERRY (GRS)

**JOINT PERSONNEL** – NAGLICK (PFRS), NEARY (PFRS), SERDA (PFRS) – NICKLEBERRY (GRS), OXENDINE (GRS), SHEEHAN (GRS)

**LEGAL REVIEW** – DIAZ, JAMES, PEGG, SERDA

**NEWSLETTER/WEBSITE** – DIAZ, GNATEK, PEGG, THOMAS

**POLICY** – JAMES, NEARY, PEGG, THOMAS

**PUBLIC RELATIONS** – DIAZ, JAMES, NAGLICK, PEGG, ASSISTANT EXECUTIVE DIRECTOR DAVID CETLINSKI, GENERAL COUNSEL RONALD A. KING

**SEVENTEENTH (17<sup>th</sup>) BOARD MEMBER** – GNATEK, NEARY, PEGG, EXECUTIVE DIRECTOR CYNTHIA A. THOMAS, ASSISTANT EXECUTIVE DIRECTOR DAVID CETLINSKI

**STAFF** – NEARY, PEGG, THOMAS

**SPECIAL LEGAL COUNSEL**

**CLARK HILL, PLC** – CHAPTER 9/POST-CHAPTER 9 BANKRUPTCY; NOVEMBER 22, 2010 DETROIT FREE PRESS FOIA REQUEST; SANDWEISS LAW CENTER VERSUS PFRS/GRS; KEITH BROOKS; TRADEWINDS AIRLINES, INC.; PITG GAMING; SHARP VERSUS PFRS; FLYNN LITIGATION; INVESCOR, LTD.; RETRO PAYMENT REQUEST OF JOSEPH MCKINNEY

**COUZENS, LANSKY, ELLIS, FEALK, ROEDER & LAZAR, P.C.** (DON WAGNER) – BOOK CADILLAC

**SPECIAL LEGAL COUNSEL - CONTINUED**

**DAVIDSON, P.C., F. LOGAN** – PARAMOUNT LAND HOLDINGS; ENVIRONMENTAL DISPOSAL SYSTEMS, INC.; 501 (C) 25 TAX FILINGS; CAPREIT-TERA; ONYX CAPITAL ADVISORS; WASHINGTON PLAZA; TCR AFFORDABLE APARTMENT PORTFOLIO

**GUREWITZ, MARY ELLEN** – EMPLOYER CONTRIBUTIONS DUE THE SYSTEM

**RACINE & ASSOCIATES** (MARIE T. RACINE) – PARAMOUNT LAND HOLDINGS, LLC

**SULLIVAN, WARD, ASHER & PATTON, P.C.**

**VANOVERBEKE, MICHAUD & TIMMONY, P.C.** (JACK TIMMONY)

**WALKER, P.C., LAWRENCE** – JERRY Q. FRANKS; DIAN NELSON; STATE TREASURER VERSUS GEORGE W. ALLEN, ET AL

**PFRS GENERAL COUNSEL**

RONALD A. KING  
**CLARK HILL, PLC**  
212 EAST GRAND RIVER AVENUE  
LANSING, MICHIGAN 48906  
PHONE: 517-318-3015 – FAX: 517-318-3068

**PFRS PUBLIC RELATIONS ADVISOR**

BRUCE BABIARZ  
**BAB ASSOCIATES, LLC**  
39400 WOODWARD AVENUE – SUITE 190  
BLOOMFIELD HILLS, MICHIGAN 48304-5154  
PHONE: 248-890-5030

**PFRS LOBBYIST**

OSCAR W. KING, III  
**KELLEY CAWTHORNE**  
208 NORTH CAPITOL AVENUE – 3<sup>RD</sup> FLOOR  
LANSING, MICHIGAN 48933-1356  
PHONE: 517-371-1400

**PFRS REAL ESTATE CONSULTANT**

MICHAEL MURPHY  
**COURTLAND PARTNERS**  
127 PUBLIC SQUARE  
SUITE 5050  
CLEVELAND, OHIO 44114-1246  
PHONE: 216-522-0330 – FAX: 216-522-0331 – E-MAIL: MPM@COURTLAND.COM

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3129 – THURSDAY – FEBRUARY 2, 2017

**PFRS ACTUARY**

KEN ALBERTS  
JUDITH KERMANS  
DAVID KAUSCH  
**GABRIEL, ROEDER, SMITH & COMPANY**  
ONE TOWN SQUARE  
SUITE 800  
SOUTHFIELD, MICHIGAN 48076  
PHONE: 248-799-9000 – FAX: 248-799-9020

**PFRS AUDITORS**

MICHELLE WATTERWORTH  
BETH BIALY  
MANJU PAITNAIK  
SPENCER TAWA  
**PLANTE MORAN**  
27400 NORTHWESTERN HIGHWAY  
POST OFFICE BOX 307  
SOUTHFIELD, MICHIGAN 48037  
PHONE: 248-352-2500 – FAX: 248-352-0018  
E-MAIL: MICHELLE.WATTERWORTH@PLANTEMORAN.COM

**PFRS ACCOUNTING FIRM**

MARLENE BEACH  
**UHY, LLP**  
27725 STANSBURY BOULEVARD  
SUITE 200  
FARMINGTON HILLS, MICHIGAN 48334  
PHONE: 248-355-1040 – FAX: 248-355-1084

**PFRS GENERAL INVESTMENT CONSULTANT**

CALVIN BORN, JR.  
DAVID LINDBERG  
**WILSHIRE ASSOCIATES**  
210 6TH AVENUE  
SUITE 3720  
PITTSBURGH, PENNSYLVANIA 15222  
PHONE: 310-451-3051

**DUTY DISABILITY RETIREMENT APPLICATIONS**

<b>MEMBER INFORMATION</b>		<b>APPROVE</b>	<b>DENY</b>	<b>TABLE</b>	<b>APPEAL</b>
NAME	<b>TAMMY KEAN</b>				
TITLE	<b>OFFICER</b>				
DEPARTMENT	<b>POLICE</b>				
PENSION NUMBER	<b>235360</b>				
DISABILITY TYPE	<b>DUTY</b>				
PLAN	<b>NEW</b>				
INJURY/INJURIES	<b>POST TRAUMATIC STRESS DISORDER</b>				
MEDICAL DIRECTOR'S RECOMMENDATION					

<b>MEMBER INFORMATION</b>		<b>APPROVE</b>	<b>DENY</b>	<b>TABLE</b>	<b>APPEAL</b>
NAME	<b>LAJEFF WOODBERRY</b>				
TITLE	<b>OFFICER</b>				
DEPARTMENT	<b>POLICE</b>				
PENSION NUMBER	<b>235626</b>				
DISABILITY TYPE	<b>DUTY</b>				
PLAN	<b>NEW</b>				
INJURY/INJURIES	<b>STRESS/ADJUSTMENT DISORDER</b>				
MEDICAL DIRECTOR'S RECOMMENDATION					

**RE-EXAMINATIONS**

NAME PENSION NUMBER DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH</b> <b>RETIRANT RECEIVING</b> <b>NEXT RE-EXAM IN ONE</b> <b>(1) YEAR UNLESS</b> <b>OTHERWISE</b> <b>DIRECTED</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH NO</b> <b>FURTHER RE-EXAMS</b> <b>BEING NECESSARY</b> <b>FOR RETIRANT</b> <b>UNLESS OTHERWISE</b> <b>DIRECTED</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH</b> <b>RETIRANT RECEIVING</b> <b>NEXT RE-EXAM</b> <b>AT MEDICAL</b> <b>DIRECTOR'S OFFICE</b> <b>UNLESS OTHERWISE</b> <b>DIRECTED</b>
<b>JASON ANDERSON - 235408 -</b> <b>FIRE - DUTY - 4TH</b>			
<b>KEVIN BASS - 230267 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>GREGORY DONALD - 210468 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>DONALD FERENSIC - 226151 -</b> <b>FIRE - DUTY - 3RD</b>			
<b>BRYAN GLOVER - 233390 -</b> <b>POLICE - DUTY - 4TH</b>			
<b>ANTHONY GOREE - 233449 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>PARTHENA GOREE - 237486 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>DENNIS HOOD - 232791 - FIRE</b> <b>- DUTY - 4TH</b>			
<b>DERRICK HOSKINS - 232461 -</b> <b>FIRE - DUTY - 1ST</b>			

**CONTINUATION OF RE-EXAMINATIONS**

NAME PENSION NUMBER DEPARTMENT DISABILITY TYPE RE-EXAM NUMBER	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH</b> <b>RETIRANT RECEIVING</b> <b>NEXT RE-EXAM IN ONE</b> <b>(1) YEAR UNLESS</b> <b>OTHERWISE</b> <b>DIRECTED</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH NO</b> <b>FURTHER RE-EXAMS</b> <b>BEING NECESSARY</b> <b>FOR RETIRANT</b> <b>UNLESS OTHERWISE</b> <b>DIRECTED</b>	CONTINUE ON DISABILITY RETIREMENT PAYROLLS <b>WITH</b> <b>RETIRANT RECEIVING</b> <b>NEXT RE-EXAM</b> <b>AT MEDICAL</b> <b>DIRECTOR'S OFFICE</b> <b>UNLESS OTHERWISE</b> <b>DIRECTED</b>
<b>DAVID KRUPINSKI - 234470 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>DERWIN LENARD - 232760 -</b> <b>FIRE - DUTY - 3RD</b>			
<b>KURTISS STAPLES - 232098 -</b> <b>POLICE - DUTY - 1ST</b>			
<b>FRANCIS TULL - 236268 -</b> <b>POLICE - DUTY - 1ST</b>			

POLICE AND FIRE RETIREMENT SYSTEM OF THE CITY OF DETROIT  
MEETING NUMBER 3129 – THURSDAY – FEBRUARY 2, 2017

11

HYBRID APPLICATIONS

NAME-TITLE-DEPARTMENT: AVERIL ELLISON – LIEUTENANT - FIRE  
RETIREMENT TYPE-PLAN: SERVICE HYBRID – 2014 PLAN  
SERVICE CREDIT-EFFECTIVE DATE: 02 05 23 – 12 24 16

DROP APPLICATIONS

NAME-TITLE-DEPARTMENT: ANIMESH PATEL – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 17 05 25 – 01 06 17

NAME-TITLE-DEPARTMENT: JEFFREY WEISS – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 17 05 25 – 01 13 17

NAME-TITLE-DEPARTMENT: ANTHONY JAMES – OFFICER - POLICE  
RETIREMENT TYPE-PLAN: DROP - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 17 06 29 – 01 12 17

RETIREMENT APPLICATIONS

NAME-TITLE-DEPARTMENT: AVERIL ELLISON – LIEUTENANT – FIRE  
RETIREMENT TYPE-PLAN: SERVICE - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 28 08 15 – 12 24 16

NAME-TITLE-DEPARTMENT: MONICA HATTER – COMM. OFFCR/POL OFFCR - POLICE  
RETIREMENT TYPE-PLAN: CONVERSION FROM DUTY DISABILITY – TYPE 35 - NEW  
SERVICE CREDIT-EFFECTIVE DATE: 25 00 00 – 01 28 02

## RECEIPTS

The Police & Fire Retirement System of the City of Detroit			
Receipts for Acknowledgement			
1/16/17-1/27/17			
Meeting #3129			
February 2, 2017			
REMITTER	WIRE DATE	DESCRIPTION	AMOUNT
<b>RECEIPTS</b>			
USPF III Leveraged Feeder LP	01/19/17	Distribution	1,362,963.00
Payden Rypel	01/24/17	Distribution	24,200,000.00
Rhumline RUSS 1000 GRTH	01/27/17	Distribution	20,000,000.00
Advent Capital	01/27/17	Distribution	8,000,000.00
Kennedy Capital	01/27/17	Distribution	15,000,000.00
FIRST INDEPENDENCE BANK	01/18/17	Loan Deductions	46,378.54
FIRST INDEPENDENCE BANK	01/25/17	Loan Deductions	131,455.37
CITY OF DETROIT	01/20/17	Weekly Mandatory Employee Contribution	244,258.66
CITY OF DETROIT	01/20/17	Weekly Annuity Contribution	2,934.48
CITY OF DETROIT	01/27/17	Weekly Mandatory Employee Contribution	79,802.80
CITY OF DETROIT	01/27/17	Weekly Annuity Contribution	565.64
		<b>TOTAL RECEIPTS</b>	<b>\$ 69,068,358.49</b>